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Information Bulletin
Tax appeal Branch



Ministry
of
Revenue

Robert F. Nixon
Minister

T. M. Russell
Deputy Minister

Tax Appeals Branch

Information Bulletin

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**SUBJECT: CORPORATIONS TAX ACT - DESIGNATED ASSESSMENTS,
ALTERNATIVE OBJECTION AND APPEAL PROCEDURE**

INTRODUCTION

This bulletin summarizes Ministry policy regarding Notices of Objection filed against designated assessments/reassessments issued under the amended Corporations Tax Act, R.S.O. 1980 C.97.

DESIGNATED ASSESSMENTS

The designated items included in an assessment are marked with an asterisk on the Statement of Adjustments accompanying a Notice of Reassessment. A "designated assessment" arises when the Ministry of Revenue reassesses a corporation based on an assessment made by Revenue Canada, Taxation under the Income Tax Act (Canada). Section 85 of the Corporations Tax Act (C.T.A.) provides an alternative objection and appeal procedure. A corporation is thereby saved the time and expense involved in pursuing both a federal and a provincial objection in certain cases.

● When Ontario Objection Is Not Required

Where an Ontario assessment, or a portion, is based on a federal assessment and is indicated to be "designated", both the corporation and the Minister **shall be bound** by the outcome of any federal objection or appeal on the designated items if no objection has been filed against the Ontario assessment (Subsections 85(2) and (3) C.T.A.). Therefore, a corporation objecting to a designated assessment need not file a Notice of Objection with the Tax Appeals Branch if a federal objection has been filed.

● Six Year Time Limitation Is Not Applicable

The Minister may reassess a corporation within six years from the date the corporation was first assessed (Clause 73(7) (c) C.T.A.). This limitation is not applicable to designated assessments (Subsection 85(4) C.T.A.). The Minister will, where necessary, reassess the corporation in accordance with the decision of Revenue Canada or the decision of a court of competent jurisdiction or the minutes of settlement of the issues raised (Subsection 85(2) C.T.A.).

● Option To File An Ontario Objection

A corporation receiving a designated assessment may decide to file a Notice of Objection with the Tax Appeals Branch. The Branch, upon receipt of a Notice of Objection, will inform the corporation about the alternative objection and appeal procedure described above. If the corporation takes advantage of this procedure, no further action will be taken by the Tax Appeals Branch and the objection will be considered cancelled.

If the corporation does not take advantage of the alternative objection and appeal and does not want to be bound by the results of a federal objection, the Tax Appeals Branch will review the Ontario objection. This review will minimize duplication by the taxpayer in dealing with Revenue Canada, Taxation and the Ontario Ministry of Revenue.

● Time Limitation

Under the Corporations Tax Act, the Notice of Objection must be served on the Minister (c/o The Director, Tax Appeals Branch) within 180 days from the date the Notice of Assessment was mailed. The corresponding period under the Income Tax Act (Canada) is 90 days. A corporation may decide not to file an objection with the Minister of National Revenue. The corporation, however, still has the option of filing a Notice of Objection with the Tax Appeals Branch within the 180 day time limit. Information on time limitation and extension of time procedures is available in the Ontario Tax Appeals Branch Information Bulletin Number 2, dated November, 1985.

NON-DESIGNATED ITEMS - ONTARIO OBJECTION REQUIRED

Non-designated items reported on the Statement of Adjustments are a result of Ontario action. Therefore, if a corporation disagrees with the non-designated items in the assessment, a Notice of Objection concerning those items **must be filed** with the Tax Appeals Branch. The alternative Section 85 procedure is only available for the designated portions of the assessment.

ENQUIRIES

For further information on objections and appeals procedures contact:

Tax Appeals Branch
Ontario Ministry of Revenue
P.O. Box 627
Oshawa, Ontario
L1H 8H5

Or telephone:

(416) 433-6029 in Oshawa, or
(416) 965-5836 in Toronto (ask the operator for the Tax Appeals Branch)

Enquiries can also be directed to the Ministry of Revenue's multilingual Information Centre free of charge from anywhere in Ontario. Telephone:

In Metro Toronto - 965-8470
In Area Code 807 - 1-800-263-3792
In Area Code 416 - 1-800-263-7700
In Oshawa - 433-5155
In all other areas - 1-800-263-3960

Metro Toronto residents can visit the Ministry's Public Enquiry Centre at 50 Grosvenor Street. The Centre provides Tax Appeals Information booklets and Notice of Objection and Notice of Appeal forms.

Toronto Public Enquiry Centre
50 Grosvenor Street
(one block south of Wellesley, West of Bay Street)

Ce bulletin est disponible en français sur demande à la Direction des services aux contribuables Ministère du Revenu, 33 King Street West, Oshawa, Ontario, L1H 8H5.



Ontario

Ministry
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Bud Gregory
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T.M. Russell
Deputy Minister

Tax
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Information Bulletin

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Number 5301 June 1984

125 51 Tax Appeals: Changes to appeal provisions.

As part of the Ministry's ongoing policy of regulatory reform and to parallel Federal Budget enactments, changes have been made to appeal provisions and the *Ontario Tax Appeals, Practices and Procedures* booklet.

TIME LIMITATION (for assessments issued on or after February 15, 1984).

- Rules 10 to 13 (Unchanged).
- Corporations Tax Act
Retail Sales Tax Act
Tobacco Tax Act
Land Transfer Tax Act

The Notice of Objection must be served on the Minister within 180 days from the date the Statement of Disallowance or Notice of Assessment was mailed.

- Fuel Tax Act, 1981
Gasoline Tax Act
Motor Vehicle Fuel Tax Act

The Notice of Objection must be served on the Minister within 90 days from the date the Statement of Disallowance or Notice of Assessment was mailed.

EXTENSION OF TIME (for assessments issued on or after February 15, 1984).

- Rules 14 to 19 (Unchanged).
- Corporations Tax Act
Retail Sales Tax Act
Tobacco Tax Act
Land Transfer Tax Act

The time within which a Notice of Objection is to be served may be extended provided the taxpayer sets out reasonable grounds for such an extension in an application to the Minister either before or after the expiry of the 180 day period, and provided such application is made within one year of the date of the mailing of the Statement of Disallowance or Notice of Assessment.

Rule

- 19a Where the application is first made beyond the 180 day period, the taxpayer must provide a satisfactory explanation as to why the taxpayer was unable to request an extension within the 180 day time period. If the explanation is not satisfactory, an extension of time will not be granted and any Notice of Objection will be considered invalid.

Rule

- 19b Where a Notice of Objection is filed beyond the 180 day period, the taxpayer must also comply with Rule 19a.
- Fuel Tax Act, 1981
Gasoline Tax Act
Motor Vehicle Fuel Tax Act

The time within which a Notice of Objection is to be served may be extended provided the taxpayer sets out reasonable grounds for such an extension in an application to the Minister and provided such application for extension is made before the time for service of the Notice of Objection has expired.

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NEW OBJECTION RIGHTS

- To a late filing penalty under the Retail Sales Tax Act;
- To a penalty levied against unlicensed wholesalers under the Tobacco Tax Act.

Note: Property Assessment Appeals

This bulletin does not cover property assessment or property tax appeals, as they do not fall under the auspices of the Tax Appeals Branch. Assessment appeals are conducted under the authority of the Ministry of the Attorney General, which has made available through Revenue's regional assessment offices a convenient booklet "A Step by Step Guide on How to Appeal Your Residential Property Tax Assessment". If you would like a copy of this publication or require further information on appeals procedures respecting your property assessment and taxes, contact your local regional assessment office, listed in the blue pages of your telephone directory under Ontario Ministry of Revenue.

Ce bulletin est disponible en français sur demande à la Direction des services aux contribuables Ministère du Revenu, 33 King Street West, Oshawa, Ontario, L1H 8H5



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NEW TAX APPEALS SERVICE

DEPOSITORY LIBRARY MATERIAL

SPECIAL ANNOUNCEMENT

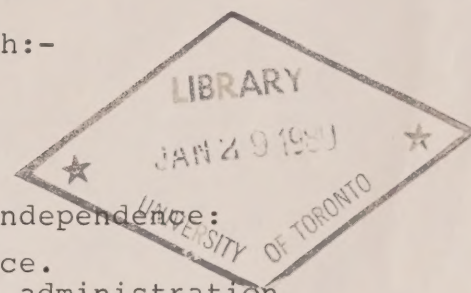
Revenue Minister Lorne Maeck announced recently the establishment of a new tax appeals service to process all tax appeals filed under the tax statutes administered by the Revenue Division of the Ministry.

The new service, under the directorship of Noreen Gomes, consolidates the appeal functions previously performed independently by Branches of the Revenue Division.

BENEFITS

The new service will provide taxpayers with:-

- Improved customer service:
 - Easier and more direct access.
 - Simplified tax appeal process.
- Greater assurance of impartiality and independence:
 - Physical relocation of appeals office.
 - Removal of the function from Branch administration.



TAX STATUTES

Revenue Tax Appeals will process tax appeals filed under:-

- Corporations Tax Act
- Land Transfer Tax Act
- Retail Sales Tax Act
- Gasoline Tax Act
- Motor Vehicle Fuel Tax Act
- Tobacco Tax Act
- Small Business Development Corporations Act

ADMINISTRATION

- Taxpayers will continue to file Notices of Objection and Appeals on the forms prescribed in the above Acts.
- Notices of Objection and Appeals will be served on the Minister in the prescribed manner by mailing or delivering them to:- Director, Tax Appeals, Ministry of Revenue, Queen's Park, Toronto, Ontario. M7A 1X8.
- Forms may be obtained from Revenue Tax Appeals by phoning, writing or personally calling at the office. Forms are also available at your local Retail Sales Tax Office.

- Because of the repeal of The Succession Duty Act, The Gift Tax Act and The Land Speculation Tax Act, appeals filed under these Acts will be processed by the Succession Duty and Land Taxes Branch during the phasing out period.
- Tax bulletins will be issued periodically on matters relative to appeals procedures for the guidance of taxpayers.

COMMUNICATION

Taxpayers or their representatives can contact Revenue Tax Appeals by writing, telephoning or visiting the office.

- Mail - Noreen Gomes,
Director,
Tax Appeals,
Ministry of Revenue,
Queen's Park,
Toronto, Ontario.
M7A 1X8
- Telephone - (416) 965-5836
- Visit - 1200 Bay Street,
2nd Floor,
Toronto, Ontario.

Les bulletins sont disponibles en français sur demande à la Directrice des Appels d'Impôt, Ministère du Revenu, Queen's Park, Toronto, Ontario, M7A 1X8, Téléphone: 965-5836

